

CITY OF BISMARCK EMPLOYEES PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2004

	January-04				December-03				September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Quarter	Net ROR	Market Value	Allocation	Quarter	Net ROR	Fiscal YTD	FY03	Ended	Ended
		Actual	Policy			Actual	Policy			Actual	Policy		Net ROR	Net ROR	6/30/2003	6/30/2003
															Net	Net
LARGE CAP DOMESTIC EQUITY																
<i>Structured Growth</i>																
LA Capital	1,323,250	5.1%	5.1%	1.65%	1,301,336	5.1%	5.1%	9.09%	1,191,943	5.0%	5.1%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.48%	-20.46%	-5.64%
Total Structured Growth	1,323,250	5.1%	5.1%	1.65%	1,301,336	5.1%	5.1%	9.09%	1,191,943	5.0%	5.1%	6.61%	18.22%	-1.48%	-20.46%	-5.64%
Russell 1000 Growth				2.04%				10.41%				3.92%	17.08%	2.93%	-21.55%	-5.04%
<i>Structured Value</i>																
LSV	1,471,748	5.6%	5.1%	2.59%	1,435,504	5.6%	5.1%	15.58%	1,244,918	5.3%	5.1%	3.33%	22.52%	-2.05%	9.06%	3.95%
Russell 1000 Value				1.76%				14.19%				2.06%	18.59%	-1.02%	-2.19%	-0.17%
<i>Enhanced Russell 1000 Index</i>																
LA Capital	1,372,776	5.3%	5.1%	1.91%	1,346,823	5.3%	5.1%	11.77%	1,204,786	5.1%	5.1%	2.87%	17.17%	1.08%	N/A	N/A
Russell 1000				1.90%				12.26%				3.00%	17.83%	0.96%	N/A	N/A
<i>Enhanced S&P 500 Index</i>																
Northern Trust	1,301,110	5.0%	5.1%	2.06%	1,274,614	5.0%	5.1%	12.40%	1,133,812	4.8%	5.1%	2.50%	17.58%	0.28%	N/A	N/A
Strong	1,337,766	5.1%	5.1%	1.95%	1,314,213	5.1%	5.1%	12.76%	1,165,628	4.9%	5.1%	2.89%	18.28%	3.30%	N/A	N/A
Westridge	1,413,597	5.4%	5.1%	1.85%	1,388,718	5.4%	5.1%	12.22%	1,237,505	5.2%	5.1%	2.65%	17.32%	0.56%	N/A	N/A
Total Enhanced S&P 500 Index	4,052,474	15.5%	15.4%	1.95%	3,977,544	15.5%	15.4%	12.46%	3,536,945	15.0%	15.4%	2.68%	17.72%	1.35%	N/A	N/A
S&P 500				1.84%				12.18%				2.64%	17.26%	0.24%	N/A	N/A
<i>S&P 500 Index</i>																
State Street	917,794	3.5%	3.4%	1.83%	901,315	3.5%	3.4%	12.16%	803,500	3.4%	3.4%	2.64%	17.23%	0.31%	-11.14%	-1.58%
S&P 500				1.84%				12.18%				2.64%	17.26%	0.24%	-11.20%	-1.61%
TOTAL LARGE CAP DOMESTIC EQUITY	9,138,043	35.0%	34.3%	1.99%	8,962,522	35.0%	34.3%	12.31%	7,982,093	33.8%	34.3%	3.02%	18.00%	0.49%	-9.68%	-2.32%
S&P 500				1.84%				12.18%				2.64%	17.26%	0.24%	-11.20%	-1.61%
SMALL CAP DOMESTIC EQUITY																
<i>Manager-of-Managers</i>																
SEI	3,234,521	12.4%	10.7%	4.64%	3,090,430	12.1%	10.7%	14.87%	2,778,741	11.8%	10.7%	9.68%	31.84%	0.68%	N/A	N/A
Russell 2000 + 200bp				4.51%				15.07%				9.60%	31.81%	0.37%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	3,234,521	12.4%	10.7%	4.64%	3,090,430	12.1%	10.7%	14.87%	2,778,741	11.8%	10.7%	9.68%	31.84%	0.68%	-3.37%	-0.65%
Russell 2000				4.34%				14.52%				9.07%	30.34%	-1.64%	-3.30%	0.97%
INTERNATIONAL EQUITY																
<i>Large Cap - Core</i>																
State Street	178,580	0.7%	0.6%	1.71%	175,626	0.7%	0.6%	14.32%	153,377	0.6%	0.6%	6.08%	23.34%	-9.96%	-13.28%	-4.72%
MSCI EAFE - 50% Hedged				1.37%				13.15%				6.58%	22.25%	-11.24%	-14.65%	-4.18%
<i>Large Cap - Active</i>																
Capital Guardian	429,518	1.6%	1.5%	1.45%	424,358	1.7%	1.5%	13.62%	373,033	1.6%	1.5%	7.45%	23.84%	-11.30%	-14.96%	0.47%
Bank of Ireland	84,740	0.3%	0.3%	1.47%	83,456	0.3%	0.3%	17.43%	70,979	0.3%	0.3%	2.64%	22.31%	-10.28%	N/A	N/A
Total Large Cap - Active	514,257	2.0%	1.8%	1.45%	507,814	2.0%	1.8%	14.22%	444,012	1.9%	1.8%	6.65%	23.59%	-11.12%	-14.58%	0.74%
MSCI EAFE - 50% Hedged				1.37%				13.15%				6.58%	22.25%	-11.24%	-14.65%	-4.18%
<i>Small Cap - Active</i>																
Lazard	87,057	0.3%	0.3%	3.24%	84,270	0.3%	0.3%	14.41%	81,332	0.3%	0.3%	10.66%	30.71%	-2.32%	N/A	N/A
Wellington	86,416	0.3%	0.3%	2.63%	84,117	0.3%	0.3%	11.59%	85,327	0.4%	0.3%	17.22%	34.24%	5.97%	N/A	N/A
Total Small Cap - Active	173,473	0.7%	0.6%	2.93%	168,388	0.7%	0.6%	12.90%	166,659	0.7%	0.6%	13.94%	32.41%	1.75%	N/A	N/A
Citigroup Broad Market Index < \$2BN				4.20%				13.31%				15.95%	36.90%	3.91%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	866,310	3.3%	3.0%	1.80%	851,828	3.3%	3.0%	13.97%	764,048	3.2%	3.0%	8.04%	25.34%	-8.22%	-12.63%	-0.99%
MSCI EAFE - 50% Hedged				1.37%				13.15%				6.58%	22.25%	-11.24%	-14.65%	-4.18%
EMERGING MARKETS EQUITY																
<i>Capital Guardian</i>																
Capital Guardian	430,182	1.6%	1.5%	4.37%	412,167	1.6%	1.5%	14.85%	419,608	1.8%	1.5%	14.62%	37.39%	7.15%	-10.61%	1.62%
MSCI Emerging Markets Free				3.55%				17.81%				14.23%	39.35%	6.96%	-7.07%	2.49%
DOMESTIC FIXED INCOME																
<i>Core Bond</i>																
Western Asset	1,263,558	4.8%	5.2%	0.92%	1,251,964	4.9%	5.2%	1.24%	1,205,418	5.1%	5.1%	-0.47%	1.69%	13.42%	11.88%	8.58%
Lehman Aggregate				0.80%				0.32%				-0.15%	0.98%	10.39%	10.07%	7.54%
<i>Active Duration</i>																
WestAM (Criterion)	1,235,605	4.7%	5.2%	0.77%	1,227,167	4.8%	5.2%	0.31%	1,191,442	5.0%	5.1%	-0.40%	0.68%	9.93%	9.39%	6.85%
Lehman Aggregate				0.80%				0.32%				-0.15%	0.98%	10.39%	10.07%	7.54%
<i>Index</i>																
Bank of ND	1,945,738	7.5%	8.9%	0.88%	1,928,770	7.5%	8.9%	-0.10%	1,914,207	8.1%	8.8%	-0.73%	0.03%	12.59%	11.06%	7.79%
Bank of ND Match Loan CD Program	294,755	1.1%	1.1%	0.00%	293,367	1.1%	1.1%	1.41%	292,841	1.2%	1.2%	1.43%	2.86%	5.83%	5.84%	5.85%
Total Index	2,240,493	8.6%	10.0%	0.68%	2,222,137	8.7%	10.0%	0.23%	2,207,047	9.3%	10.0%	-0.21%	0.70%	10.77%	10.08%	7.44%
Lehman Gov/Credit				0.91%				-0.03%				-0.50%	0.37%	13.15%	10.82%	7.83%

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	Allocation		Month		Allocation		Quarter		Allocation		Quarter		Fiscal YTD	FY03	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net ROR	Net ROR	6/30/2003	6/30/2003
															Net	Net
Convertibles																
TCW	1,385,902	5.3%	5.2%	2.15%	1,355,798	5.3%	5.2%	10.00%	1,226,445	5.2%	5.1%	1.84%	14.43%	10.37%	-9.08%	N/A
<i>First Boston Convertible Index</i>				2.01%				8.54%				2.67%	13.68%	15.35%	-3.81%	N/A
BBB Average Quality																
Strong	1,255,530	4.8%	5.2%	1.12%	1,240,072	4.8%	5.2%	1.47%	1,216,038	5.1%	5.1%	0.16%	2.77%	14.81%	10.35%	N/A
<i>Lehman BBB</i>				1.13%				1.22%				0.27%	2.64%	18.33%	9.91%	N/A
Timberland																
Evergreen (Wachovia)	2,449,520	9.4%	9.4%	2.06%	2,398,946	9.4%	9.4%	6.11%	2,246,346	9.5%	9.5%	-0.15%	8.13%	12.50%	N/A	N/A
															N/A	N/A
TOTAL DOMESTIC FIXED INCOME	9,830,607	37.7%	40.0%	1.31%	9,696,085	37.9%	40.0%	3.16%	9,292,738	39.3%	40.0%	0.11%	4.62%	11.62%	6.95%	6.77%
<i>Lehman Aggregate</i>				0.80%				0.32%				-0.15%	0.98%	10.39%	10.07%	7.54%
HIGH YIELD BONDS																
Western Asset	858,889	3.3%	3.5%	0.99%	850,501	3.3%	3.5%	5.54%	805,871	3.4%	3.5%	1.99%	8.70%	20.04%	2.51%	4.15%
<i>Lehman High Yield Bond Index</i>				1.91%				5.91%				2.77%	10.93%	22.77%	5.44%	2.66%
INTERNATIONAL FIXED INCOME																
International Sovereign																
UBS Global (Brinson)	256,145	1.0%	1.0%	0.01%	256,037	1.0%	1.0%	6.49%	224,105	0.9%	1.0%	3.18%	9.89%	18.20%	8.47%	5.93%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				0.12%				6.71%				2.75%	9.77%	17.91%	8.10%	6.29%
International Core																
Brandywine	257,719	1.0%	1.0%	-0.57%	258,957	1.0%	1.0%	7.30%	219,329	0.9%	1.0%	1.51%	8.30%	N/A	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				0.08%				6.77%				2.76%	9.81%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	513,864	2.0%	2.0%	-0.28%	514,994	2.0%	2.0%	6.91%	443,434	1.9%	2.0%	2.34%	9.11%	17.83%	8.36%	5.86%
<i>Citigroup Non-US Gov't Bond Index (1)</i>				0.12%				6.71%				2.75%	9.77%	17.91%	8.10%	6.29%
REAL ESTATE																
J.P. Morgan	689,960	2.6%	3.0%	0.49%	686,612	2.7%	3.0%	3.16%	665,609	2.8%	3.0%	2.43%	6.17%	7.80%	7.36%	10.23%
<i>NCREIF TOTAL INDEX</i>				0.91%				2.76%				1.97%	5.74%	7.64%	8.51%	10.16%
ALTERNATIVE INVESTMENTS																
Coral Partners V	43,181			0.00%	44,417			-1.26%	40,837			-6.88%	-8.05%	-22.52%	-20.83%	-9.87%
Coral Partners V - Supplemental	3,886			0.00%	2,210			-0.95%	2,124			-15.67%	-16.47%	-28.36%	N/A	N/A
Coral Partners VI	11,222			0.00%	6,657			-4.63%	6,647			-12.18%	-16.25%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	7,356			0.00%	7,567			2.36%	7,453			4.07%	6.53%	-14.73%	-11.35%	1.31%
Brinson 1999 Partnership Fund	9,869			0.00%	10,152			4.99%	9,208			0.98%	6.02%	-16.31%	-14.42%	N/A
Brinson 2000 Partnership Fund	16,784			0.00%	17,264			2.47%	14,805			0.67%	3.15%	-13.99%	-9.08%	N/A
Brinson 2001 Partnership Fund	6,503			0.00%	5,291			-1.11%	5,095			0.43%	-0.68%	-5.98%	N/A	N/A
Brinson 2002 Partnership Fund	3,479			0.00%	3,578			-1.16%	3,448			12.21%	10.91%	9.08%	N/A	N/A
Brinson 2003 Partnership Fund	340			0.00%	350			-0.24%	334			-3.58%	-3.81%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	4,723			0.00%	4,858			5.58%	5,042			6.32%	12.25%	13.12%	2.21%	N/A
Brinson 2000 Non-US Partnership Fund	6,366			0.00%	6,549			0.52%	6,204			2.82%	3.35%	9.50%	-1.63%	N/A
Brinson 2001 Non-US Partnership Fund	3,500			0.00%	3,600			1.18%	3,388			7.50%	8.77%	-0.41%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	5,301			0.00%	5,453			0.96%	4,688			3.71%	4.71%	5.34%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	905			0.00%	931			0.05%	305			-0.05%	0.00%	N/A	N/A	N/A
Brinson BVCF IV	27,737			0.00%	24,893			-3.67%	24,608			-1.02%	-4.65%	-14.64%	-18.80%	N/A
Matlin Patterson Global Opportunities	54,381			0.00%	58,307			10.99%	50,027			0.00%	10.99%	N/A	N/A	N/A
InvestAmerica	7,178			0.00%	7,383			0.00%	7,031			0.00%	0.00%	-12.50%	N/A	N/A
Hearthstone MSII	8,143			0.00%	8,376			15.36%	9,503			5.06%	21.20%	28.98%	13.57%	N/A
Hearthstone MSIII	18,913			0.00%	21,170			0.00%	1,187			N/A	N/A	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	239,766	0.9%	1.0%	0.00%	239,005	0.9%	1.0%	3.15%	201,935	0.9%	1.0%	-1.01%	2.11%	-9.78%	-11.48%	-6.74%
CASH EQUIVALENTS																
Northern Trust STIF/STEP	304,767	1.2%	1.0%	0.15%	300,652	1.2%	1.0%	0.32%	290,597	1.2%	1.0%	0.35%	0.83%	1.84%	3.33%	4.22%
<i>90 Day T-Bill</i>				0.08%				0.26%				0.25%	0.59%	1.52%	3.33%	4.07%
TOTAL FUND	26,106,908	100.0%	100.0%	1.92%	25,604,796	100.0%	100.0%	8.24%	23,644,673	100.0%	100.0%	2.91%	13.53%	6.14%	-0.87%	2.85%
POLICY TARGET BENCHMARK				1.61%				6.89%				2.47%	11.30%	5.65%	-0.08%	3.59%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.